

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 308

SPONSOR: Appropriations Subcommittee on Transportation and Economic Development and
Senator Smith

SUBJECT: Specialty License Plate

DATE: April 10, 2003

REVISED: _____

| | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|------------------|----------------|------------|--------------------------------|
| 1. | <u>McAuliffe</u> | <u>Meyer</u> | <u>TR</u> | <u>Fav/2 amendments</u> |
| 2. | <u>Branning</u> | <u>Kiger</u> | <u>NR</u> | <u>Favorable</u> |
| 3. | _____ | _____ | <u>FT</u> | <u>Withdrawn</u> |
| 4. | <u>Mannelli</u> | <u>Kelly</u> | <u>ATD</u> | <u>Favorable/CS</u> |
| 5. | _____ | _____ | <u>AP</u> | <u>Withdrawn: Favorable/CS</u> |
| 6. | _____ | _____ | _____ | _____ |

I. Summary:

This bill distributes a portion of the Sea Turtle license plates' annual revenue to the Caribbean Conservation Corporation (CCC) for the purpose of funding a Sea Turtle Grants Program. Further, the bill provides up to 25 percent of the funds distributed to the CCC may be used for administrative costs, and to promote and market the license plate, and specifies none of the funds may be used for litigation.

The bill also appropriates \$350,000 for fiscal year 2003-2004 from the Marine Resources Conservation Trust Fund to the Fish and Wildlife Conservation Commission (FWCC) for transfer to the CCC to fund sea turtle grants.

This bill amends s. 320.08058, F.S., and repeals s. 370.12(1)(h), F.S.

II. Present Situation:

Specialty License Plates in General

Section 320.08053, F.S., provides an organization seeking authorization to establish a specialty license plate must submit the following:

- A request for the particular license plate with a description of the proposed plate in general terms.

- The results of a scientific sample survey of Florida motor vehicle owners that indicates at least 15,000 motor vehicle owners intend to purchase the proposed specialty license plate at the increased costs.
- An application fee, not to exceed \$60,000, to defray the Department of Highway Safety and Motor Vehicle's (DHSMV) cost for reviewing the application and developing the specialty license plate, if authorized.
- A marketing strategy outlining both the short and long term marketing plans and a financial analysis outlining the anticipated revenue and the planned expenditures of the requested specialty license plate.

The required documentation and fees must be submitted at least 90 days before the convening of the next regular session of the Florida Legislature. If a specialty license plate is approved by law, the organization must submit a proposed art design for the specialty plate to DHSMV no later than 60 days after the act becomes a law. If the specialty license plate is not approved by the Legislature, then the application fee shall be refunded to the requesting organization.

Section 320.08056, F.S., provides DHSMV is responsible for developing the specialty license plates and must begin production and distribution within one year after approval of the specialty license plate by the Legislature. Specialty license plates must bear the design required by law for the appropriate specialty plate, and the designs and colors must be approved by DHSMV. In addition, the specialty license plate must bear the imprint of numerals from 1 to 999, inclusive, capital letters "A" through "Z", or a combination thereof. The word "Florida" must appear at either the top or the bottom of the plate, depending upon the design and may bear an appropriate slogan.

The Department is authorized to annually retain the first proceeds derived from the annual use fees collected in an amount sufficient to defray each specialty plates pro rata share of DHSMV's costs directly related to issuing the specialty license plate.

The Department must discontinue the issuance of an approved specialty plate if less than eight thousands plates (including annual renewals) are issued by the end of the fifth year or during any subsequent 5-year period. The Department is authorized to discontinue the issuance and distribution of specialty plates if the organization no longer exists or if the organization has stopped providing services that are authorized to be funded.

Annual use fees or any interest earned from those fees may not be used for commercial or for-profit activities, or for general administrative expenses (except as specifically authorized or to pay the cost of the audit or report required to ensure the proceeds are used as authorized).

Sea Turtle License Plate

In 1997, the Legislature authorized the issuance of a Sea Turtle license plate. Section 320.08056, F.S., provides the annual use fee for this specialty license plate is \$17.50. Section 320.08058, F.S., provides the annual use fees from this license plate are to be deposited in the FWCC Marine Resources Conservation Trust Fund. The first \$500,000 in annual revenue is to be used by the

Florida Marine Turtle Protection Program to conduct sea turtle protection, research, and recovery activities. Additional license plate revenue, up to an amount not exceeding 30 percent of the total annual revenue, is to be dispersed through the Marine Turtle Grants Program as provided in s. 370.12(1)(h), F.S. The remaining annual use proceeds are to be used by the Florida Marine Turtle Protection Program for sea turtle conservation activities.

Since it was first offered to the public in 1998, the sea turtle license plate has generated total revenues of \$3,808,539.86, as of December 31, 2002. New sales and renewals of the plate in 2002 constituted \$1,137,283.50 of the total amount.

Marine Turtle Protection Act

Section 370.12(1), F.S., is known as the “Marine Turtle Protection Act.” The stated legislative intent of the Act is to ensure that the FWCC has the appropriate authority and resources to implement its responsibilities under the recovery plans of the U.S. Fish and Wildlife Service for the following species of marine turtles:

- Atlantic loggerhead turtle
- Atlantic green turtle
- Leatherback turtle
- Atlantic hawksbill turtle
- Atlantic ridley turtle

The Act requires the FWCC to provide grants to coastal local governments, educational institutions, and Florida-based nonprofit organizations to conduct marine turtle research, conservation, and education activities within the state. The FWCC is required to adopt criteria for allocating grant funds by rule that must include the scope of the proposed activity, the relevance of the proposed activity to the recovery plans for marine turtles, the demand and public support for the proposed activity, the duration of the proposed activity, the availability of alternative funding, and the estimated cost of the activity. The executive director of the commission must appoint a committee of at least five members, including at least two nongovernmental representatives, to consider and choose grant recipients from proposals submitted by eligible entities. Committee members may not receive compensation from the commission.

Caribbean Conservation Corporation

The CCC is a not-for-profit 501(c)(3) organization based in Gainesville that is dedicated to the conservation of sea turtles and related marine and coastal wildlife through research, training, advocacy, education and the protection of natural areas. It was founded in 1959 and is headed by a four-officer board of directors. The CCC’s literature provides:

To address the many threats facing sea turtles and their habitats in the U.S., especially in Florida, CCC launched the Sea Turtle Survival League (STSL) program in 1993. In the nine years since its formation, the STSL program has become the most effective voice for sea turtle conservation in Florida – and is one of the only groups actively watch-dogging sea turtle and coastal issues at a

statewide level in Florida. In fact, the League now serves as an umbrella organization for the many small sea turtle conservation and education groups.

Some of CCC's claimed accomplishments include:

- Playing an instrumental role in Congress' designation of the Archie Carr National Wildlife Refuge -- the only federally protected sea turtle refuge in the U.S.
- Leading the campaign to establish the Sea Turtle license plate, which provides 100 percent of the annual budget for Florida's Marine Turtle Protection Program and provides grants to numerous private turtle conservation groups; and
- Helping to reverse declining turtle population trends in Tortuguero, Costa Rica and in the Archie Carr National Wildlife Refuge in Florida.

III. Effect of Proposed Changes:

The bill amends subsection (19) of s. 320.08058, F.S., to provide that the first \$500,000 in annual use fees from the sea turtle license plate are to be used by the Florida Marine Turtle Protection Program administered by the FWCC. The next \$215,000 in fees are to be distributed to the CCC, which is to annually distribute these funds through a Sea Turtle Grants Program that supports sea turtle research and education activities of Florida-based nonprofit groups, educational institutions, and Florida coastal counties.

The CCC is required to write and publish procedures for submitting grant applications and criteria for allocating available funds, and to appoint a technical advisory committee, which is directed to select grant recipients from proposals submitted by eligible entities. The technical advisory committee will be composed of two members from the Fish & Wildlife Conservation Commission, one member from a county bordering the Atlantic Coast with a sea turtle nesting site (rotated on a biennial basis), one member from a county bordering the Gulf Coast with a sea turtle nesting site (rotated on a biennial basis), the executive director of the Caribbean Conservation Commission, and two members selected at large.

Revenue from the sea turtle license plate in excess of \$715,000 is to be distributed as follows:

- 70 percent is to be deposited in the Marine Resources Conservation Trust Fund and used by the Florida Marine Turtle Protection Program for sea turtle conservation activities.
- 30 percent is to be assigned to the CCC for distribution through the Sea Turtle Grants Program.

Further, up to 15 percent of total funds distributed to the CCC may be expended for administrative costs directly associated with the grants program, and up to 10 percent of total funds distributed to the CCC may be used to promote and market the license plate. None of the funds may be expended for litigation.

The bill also appropriates \$350,000 from the Marine Resources Conservation Trust Fund to the FWCC for FY 2003-04 from annual use fees collected in FY 2002-03 for transfer to the CCC to fund sea turtle grants. Since grant awards occur in the year after the receipt of annual use fees,

this will allow the CCC to award grants in FY 2003-04. Any remaining funds in the Marine Resources Conservation Trust Fund are to be used by FWCC for sea turtle research and management activities.

The bill repeals paragraph (h) of subsection (1) of s. 370.12, F.S., which provides for the FWCC's Sea Turtle Grants Program.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Under the bill, educational institutions, Florida-based nonprofit groups, and Florida coastal counties may be eligible to receive grant funding.

C. Government Sector Impact:

Insignificant.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.